

STEEL TRUST REPORT FAVORABLE TO COMBINE

Henry Clews in Weekly Letter Declares However, That Herbert Knox Smith's Statement Makes Talk.

New York, July 8.—Henry Clews this week says:

The decision of the circuit court that the Union Pacific's control of the Southern Pacific by stock ownership does not contravene the Sherman antitrust act is a development of distinct importance. It removes a barrier that has existed for some time, preventing the open, concerted operation of non-competitive lines of transportation. Coming at this time when court rulings have been so unfavorable against formal cooperation among our great industrial and railroad combinations, it will exert a steady influence on the mind of the investor, as it is direct evidence that the courts may be depended upon to protect property interests as faithfully as do the public interests.

The sharp advance in the stock market price level that accompanied the decision received somewhat of a check, however, as a result of the week's additional and conclusive evidence of the disposition on the part of the administration to continue to probe the current methods of our large industrial corporations. And there is evidently substantial ground for the belief that until after the presidential election of next year both of the great political parties may be depended upon to make as great a spectacular display as possible in the direction of appealing to popular prejudice by attacking trusts—in less dignified language or continuing a "trust-busting" campaign. Such jaded parts are leaders of the other in this connection, and the one in often is hardly likely to leave any stone unturned that will permit important advantages to be taken by a competitor in the approaching political campaign. Thus we have still in sight a period of uncertainty. There has this week, for instance, been the action of the local federal grand jury in trying criminal indictments in the case of officials and corporations—including Steel corporation subsidiaries—in connection with the size price agreement of some years ago; and this follows similar information connected with investigations of the steel corporation's cement activities. The board of corporations has furnished to the president a report giving the results of its studies into the iron and steel industry in this country. In this report the commissioner, Mr. Herbert Knox Smith, presents statements to show that the Steel corporation is a much greater dominating influence, though chiefly as a result of its own resources, than has been generally supposed. The report as a whole is favorable to the corporation, but it will nevertheless constitute what may be termed a textbook for campaign orators of both political parties to denounce "trusts" during next year's presidential campaign.

Thus we have before us in this direction incentive for no little ingenuity in the market for stock exchange securities on the other hand. Fundamental influences are certainly favorable and the outlook, therefore, suggests a period of active fluctuations that will constitute an ideal and productive market for traders.

Looking at the more favorable influences that present themselves, we have in the first place what are undeniably excellent crop prospects. Rain in North and South Dakota have measurably improved the spring wheat harvest outlook. An excellent winter wheat yield is already assured, and corn, while still subject to the vicissitudes of weather, is but far in good shape. Cotton gives every promise of a satisfactory yield at excellent prices, resulting from an accumulated demand. Hay and oats are rather disappointing and will, therefore, stimulate the demand for corn at least. But the harvest outlook, considered as a whole, certainly suggests another link in the long, unbroken chain of years of agricultural prosperity. This means, in turn, a tremendous purchasing power for the products of industry which cannot fail to show itself in general normal activity when the improved movement once really begins. Stocks of merchandise in course of distribution and in the hands of manufacturers are unusually light and must be promptly replaced. The demand from consumers has during the last few months been restricted to day-to-day requirements and has been supplied out of stocks in process of distribution, both retail and wholesale merchants in their own purchases from first hands merely reflecting the limited demands for actual consumption. Thus our manufacturers will be face to face in a short time not only with supplying the accumulated demand of consumers but also with supplying in the ordinary channels of distribution products to bring supplies in these channels up to normal distributing proportions.

An evidence of the continued abundance of money—a feature that has been the primary cause of the steady advance that has taken place in the market level—is the fact that accumulations of funds to pay the large semi-annual dividends and interest disbursements have been made this year without an appreciable hindrance in rental rates for money. The July disbursements at New York are estimated at about \$235,000,000, some important part of which will unquestionably seek reinvestment in the stock market. But beyond this the ability of the banks to finance these large transactions without strain furnishes good ground for belief that the crop requirements this year will also be quite as readily financed. Trade and industry are both gradually improving. Their improvement,

however, will not be so sudden as to cause congestion in banking circles during the crop-moving season. According to the present outlook their demands for working capital will not assume sufficient volume to cause liquidation of securities that have been accumulated by the banks in order to release funds. It is very probable that the crops will have been fully financed before mercantile demands in their turn reach even normal proportions. And should this reasoning not prove entirely accurate we still have large balances available abroad ready to show themselves in the form of gold imports as soon as money rates justify the movement of the previous initial from London to this center. New York banks and trust companies today are holding securities exceeding their holdings of a year ago by \$165,000,000. There is no incentive for these institutions to liquidate these holdings, for they could not utilize the proceeds to better advantage. The steel trade is improving, the industry now operating at about per cent of capacity which is an increase of 25 per cent from last January. In the dry goods trade there is also evidence of reaction from the recent depression.

As already noted, the prospects continue favorable for rapid and widespread improvements. Those will be based more immediately upon crop reports since we have fully arrived at the period when crops are the chief day-to-day influence, but they will also be based upon the probable continuance of governmental antagonism to combinations and on other developments at Washington, including tariff legislation which has recently shown signs of increased uncertainty.

CANAL DAMAGE AT PHOENIX IS ABOUT \$10,000

**Irrigation Projects Suffer
Heavily From Recent Rains
at Arizona Capital. Though
Reservoir is Not Hurt.**

Phoenix, Ariz., July 8.—According to the best estimates available at present, the damage to the irrigation ditches in this vicinity due to the extraordinary rains of Sunday and the day preceding will be about \$10,000. This is the estimate made by Engineer Howard Reed.

A big force of men was organized Sunday morning were added yesterday and by today it is expected they will be three or four hundred men engaged in repair work at one place or another. Most of the work yesterday was in repairing breaks on the lower canals and in the laterals from the Arkansas east of Phoenix. Nothing could be done yesterday at the big breaks in the Arizona, for the reason that the water was still running out, notwithstanding none was coming in from the river, and the ground was too soft to get into with teams. This work will probably be undertaken to-day.

Though a flood left the canal at Evergreen and another at Indian Bend above Scottsdale, there were no breaks in the canal. It was water released by the waste gates. This water flowed across the desert to Salt River above Tempe and going down the river took up the joint head branch.

The worst break in the canal were on the north bank of Ward Channel mountain, and between the power house of the Arizona falls and Scottsdale. There were three of these, the larger one being just above the power house where the ditch crosses the canal and that bank was far submerged. First, near the power house, the banks of the great Arizona canal gave way and the surging flood, released from all restraint, started on its march of ruin and desolation that ended only when it was buried in the desert sand bar to the southwest.

Almost with the first break the restoration service started its fight against the raging waters. Of course, practically nothing could be done at that time and yet today it is hard to tell just where the most pressing need lies. But it can be said that everything possible is being done.

Howard S. Reed, the engineer in charge, is bending all his energies to the great task of repair, one of the greatest with which he has yet been confronted, and he says the waters will be confined within a week. That is the best news the ranchers have heard since yesterday morning.

The amount of precipitation was 24 inches for the 24 hours.

A CITIZEN DOES THE PAUL REVERE STUNT

When the Grand canal broke back of the Crockett ranch, the water started in a wild torrent to the southwest toward Central avenue. Robert Bivins, who had observed the calamity, mounted a horse and started on a gallop down the avenue, warning the residents of the oncoming flood.

A mile and a half further down the Arizona canal, at the head of lateral 8, the south bank of the Arizona was washed out clear down to datum, or the bottom of the canal, to a distance of 256 feet. It was this break that did the most damage to the farming country and through it came the greater part of the water that inundated a wide area from the Arizona canal to the town ditch into which it poured its flood, having in the meantime filled the Grand canal to overflowing.

A son of Mr. Bivins also performed good service by taking many people from their homes on the Park and Thomas roads in a boat.

Central avenue from Oshorn school to the Little Maricopa canal was a lake of water from 11 o'clock Sunday morning until today, and boats were used to good advantage.

The water that washed out the canal at Portland was the surface flow that accumulated between the Crockett canal and the red bottom, and did not come from the Arizona canal.

The division gates between the Salt River valley and the Maricopa valley were washed out and there were innumerable small breaks all over the distributing system.

There was no break in the Arizona canal west of lateral 8. The Glendale flood was all surface water, that fell in the Glendale country.

Work was started in every division of the canal system, repairing the smaller breaks. The laterals from the Arizona, east of the Park road, were literally torn to pieces. Mr. Reed, who was raised in the state of Maine, said the way the water was bearing across the country on Sunday was about the most wicked sight he ever saw. The Matine rivers in the springtime were placid streams by comparison. The awfulness of it was in the fact that they seemed to be no place for the water to go.

Strangely enough, the storm at latest advised had no effect on the reservoir, notwithstanding it is known there was at least a little

Chaves Co., July 8.—The Clayton United Presbyterian church, one of the oldest organizations in the state, celebrated its hundredth anniversary yesterday. The church had a record equalled probably by no Protestant church in the United States in that it has had only three continuous pastormen in its one hundred years' existence.

The present pastor, the Rev. Alexander McEachin, has been with the church since 1872.

If you want a stylish horse and buggy, see W. L. Trimble, 113 North Second St. Phone No. 2.

NEW MEXICO SOCIETY

Social Affairs from Various Towns.

STUNLEY.

Mr. and Mrs. Raymond Hill entertained on last Friday evening at their ranch home northeast of town in honor of Mr. Hill's sisters, the Misses Hill, who are visiting from Kearney, Nebraska. Games and refreshments were features of the evening. It is needless to say those accompanied with Mrs. Hill as a hostess that the guests enjoyed the evening.

Mrs. Clinton Fisher and children of Silver City are visiting Mr. and Mrs. W. M. Fisher.

Jim Mattingly came in from Lamy on last Friday.

John Cantwell was a passenger to Hodges on the 20th.

Mrs. L. A. Richardson from San Isidro is visiting her son E. R. Richardson northeast of town.

E. H. Chayworth made communion bread on his homestead before U. S. Commissioner Kinsey on the 2nd.

C. M. Johnson was down from Santa Fe over Sunday.

E. Y. Park made a business trip to Santa Fe the 4th.

W. F. Curtis returned from Estancia Tuesday.

Mr. M. W. Downey arrived from Albuquerque on the 1st.

Misses McElmurray and Kays returned Saturday from Santa Fe where they have been attending the institute.

Mrs. E. N. Stover was a passenger to Meridian Saturday evening returning Sunday.

Mr. C. P. Ferguson returned from Santa Fe on the 1st.

J. R. Grammer made a business trip to Santa Fe the first of the week.

Miss Dot Willingham arrived Sunday from Atoka, Okla. She is visiting her mother, Mrs. J. C. Willingham.

G. W. Winter came down from Santa Fe on the 2nd to spend the Fourth of July at his home.

John L. Steele, who has been employed at Abiquiu, N. M., for some weeks past, arrived home Saturday.

Mr. L. F. Springs and children from Santa Fe are visiting the family of Mrs. E. Springer mouth of town.

U. B. Prentiss was down from Santa Fe over Sunday.

J. D. Flowers came in from Bisbee, Ariz., Monday to look after business affairs in Stanley.

Misses Mandie Willingham, Zon E. Smith and Lillie Hammer, Misses Anna C. Klossell and E. N. Stover and Misses Ventura Barros, Homer Spear, Geo. E. Morison and M. L. Lawrence were among the Santa Fe visitors to Santa Fe on the Fourth.

CLOVIS.

Mrs. Walter Mansfield entertained Friday evening with a dinner party and dance, complimentary to the bride, Mrs. Jewel Kimberlin, who was Miss Merle McMinn.

The beautiful suburban home was lighted with candles and everywhere roses and sweet peas lent their beauty and fragrance to the scene. Covers were laid for nine and an elegant six-course luncheon was served. The orchestra from Clovis furnished music for the dance which followed the dinner party. Glasses of cut glass and silver were presented to the bride.

Mr. and Mrs. Kimberlin left on the noon train for an extended trip through Colorado. They will return to Clovis after a few weeks.

Mr. Kimberlin is a member of the large dry goods firm of Miller & Kimberlin.

In this city he is prominent in business circles. The bride is an attractive representative of one of the oldest and wealthiest families here.

The Baptist Sunday school went to the Country club in a body to spend the Fourth. There was a large attendance of pupils and many visitors besides the parents and teachers.

A delightful basket dinner was enjoyed at noon and popular amusements the remainder of the day.

The Priscilla Thimble club held a delightful meeting Monday afternoon at the home of Mrs. Samuel Skidmore.

In Kentucky Heights there were present 15 members of the club besides seven guests. The usual hours were devoted to sewing and late in the afternoon shortlet and coke were served.

The club meets next week with Mrs. W. J. Lank.

The annual meeting of the Pioneers Home in Presento is becoming exclusively a Yavapai and Maricopa county institution. Four-fifths of the inmates are from those two counties.

Willard Sevier, a forest ranger, was married at Williams last week to Miss Edna Hallway.

Fred McKinley, an eleven-year-old boy, was seriously injured and narrowly escaped death in a fly wheel at a mining camp near Iron Springs last week.

Skeletons dug up in the streets and alleys of Phoenix are thought to be bodies of early settlers drowned in floods and then covered by silt and wash during later years.

Sixteen Santa Fe engines were destroyed in the frame round house building at Nesills last week. This makes a loss of thirty engines by fire during the Santa Fe within the past two weeks.

It is known in railroad circles that the Santa Fe has prospered as never before. With its 33,000 miles of track covering the richest County in the United States, the Santa Fe is doing well.

Its strength and character have not returned from a monthly visit with friends and relatives in Arkansas.

Fred Sherman, Esq., purchased a new Ford touring car while on his trip to California. Mr. Lindner has recently purchased a new Oakland touring car.

CARTHAGE.

Mr. and Mrs. W. A. Dunlays are expecting their three sisters Sunday.

Mrs. Rosalie Purdy from Phoenix, Ariz., is spending the week end with her friends, Misses Shirley Seitz.

Mrs. Fred Perry and wife son of Albuquerque are spending a month with Miss Lois Bush on her ranch northeast of town.

Mr. and Mrs. W. A. Dunlays are expecting their three sisters Sunday.

Mr. and Mrs. W. A. Dunlays will have a house party guests next week, Mr. Dunlays' three sisters, Mrs. Ramsey from Germany and Madeline Lacker and Marty of Trinidad, Col.

Mrs. Edward Reed and daughters left Saturday night for their home in Lynn, Colo., after a visit of several days with relatives here.

Mrs. Audrie and Mr. Shirley Seitz entertained at their home south of town Wednesday evening with a dancing party in honor of their cousin, Misses Kilday. A very pleasant evening was reported.

Mr. Guy Brown and family of Belen are the guests of Mr. and Mrs. H. L. Latta.

The fading Aid met Wednesday afternoon with Mrs. Hugh Swisher.

Election of officers for the coming term took place and the following ladies were elected in honor of their constituents:

Mrs. Kilday. A very pleasant evening was reported.

Mr. and Mrs. W. A. Dunlays will have a house party guests next week, Mr. Dunlays' three sisters, Mrs. Ramsey from Germany and Madeline Lacker and Marty of Trinidad, Col.

There will be an informal week-end dance at Hermines hall. The affair is to be given as a benefit for the Williams band team. A number from out of town are expected.

The start of the year is the name of Mr. and Mrs. Sartorius Gertes, the night of the Fourth and left a sweet little baby girl.

CARTHAGE.

Mr. and Mrs. W. A. Weber entered a few of their friends at dinner last evening, those present being Mr. and Mrs. H. K. Kinney, Mr. and Mrs. H. M. Bish, Miss Louise Meadmore, Dr. Wm. Hartz and E. H. Zimmerman.

The table was handsomely decorated to conform to the spirit of the day, and after a most elaborate repast the evening was spent on the spacious veranda of the Weber home enjoying a beautiful moonlight.

M. P. Kelly of the Pacific Mutual

Carrie and Eva Johnson of Roswell, Texas.

Mr. and Mrs. S. P. Denting and son Bill, will leave in a few days for California to spend the summer.

Judge and Mrs. K. K. Scott and family are in the mountains for several weeks, outfitting.

Judge and Mrs. Sam R. Scott of Waco, Texas, are guests of Mr. and Mrs. W. L. Radney. Judge Scott is the commissioner appointed by Governor Colquitt to locate the Texas-New Mexico line.

Mrs. Carrie Dye had several friends to lunch at the Hayes Dream the Fourth.

A horseback ride to the Country club and luncheon was enjoyed on Wednesday evening by Misses Gertrude Joines, Katherine Smith, Ruth Shrader, Grace Geyer and Eddie Bonney.

Mrs. John James and family of Albuquerque, Mrs. D. M. Canfield and family of Maricopa, Arizona, and Mr. and Mrs. J. N. Allen of Muskogee, Okla., arrived this morning to spend several weeks with their relatives.

Mr. and Mrs. Robert McRiley.

MOUNTAINAIR.